

The review covers Haifa Chemicals, Ltd., a manufacturer/exporter to the United States of Israeli industrial phosphoric acid, and the period August 1, 1990 through July 31, 1991. Haifa did not respond to the Department's questionnaire. Therefore, we used best information available for assessment of antidumping duties and cash deposit purposes. Best information is the highest margin for a company under the order, 6.82 percent.

Preliminary Results of Review

We preliminarily determine that the following margin exists for the period August 1, 1990 through July 31, 1991:

Manufacturer/exporter	Margin (percent)
Haifa Chemicals	6.82

Parties to the proceeding may request disclosure and interested parties may request a hearing not later than 10 days after the date of publication of this notice. Interested parties may submit written arguments in case briefs on these preliminary results within 30 days of the date of publication. Rebuttal briefs, limited to arguments raised in case briefs, may be submitted seven days after the time limit for filing the case brief. Any hearing, if requested, will be held seven days after the scheduled date for submission of rebuttal briefs. Copies of case briefs and rebuttal briefs must be served on interested parties in accordance with 19 CFR 353.38(e).

The Department will publish the final results of the administrative review including the results of its analysis of issues raised in any case or rebuttal briefs or at a hearing.

The Department shall determine, and the Customs Service shall assess, antidumping duties on all appropriate entries. Individual differences between United States price and foreign market value may vary from the percentages stated above. The Department will issue appraisal instructions directly to the Customs Service.

Furthermore, the following deposit requirements will be effective upon publication of the final results of this administrative review for all shipments of the subject merchandise from Israel entered, or withdrawn from warehouse, for consumption on or after the publication date, as provided by section 751(a)(1) of the Act: (1) The cash deposit rate for the reviewed companies which remain subject to the order will be that established in the final results of this administrative review; (2) for merchandise exported by manufacturers

or exporters not covered in this review but covered in previous reviews or the original less-than-fair-value investigation, the cash deposit rate will continue to be the company-specific rate published in the final determination covering the most recent period; (3), if the exporter is not a firm covered in this review, previous reviews, or the original investigation, but the manufacturer is, the cash deposit rate will be that established for the manufacturer of the merchandise in the final results of this review, or if not covered in this review, the most recent review period or the original investigation; and (4) the cash deposit rate for any future entries from all manufacturers or exporters who are not covered in this or prior administrative reviews, and who are unrelated to the reviewed firms or any previously reviewed firm will be the "All Others" rate established in the final results of the previous administrative review, since we do not use best information available rates in establishing the all other rate. This rate represents the highest rate for any firm (whose shipments to the United States were reviewed) in the most recent administrative review, other than those firms receiving a rate based entirely on best information available. These deposit requirements, when imposed, shall remain in effect until the publication of the next administrative review.

This administrative review and notice are in accordance with section 751(a)(1) of the Act (19 U.S.C. 1675(a)(1)) and 19 CFR 353.22.

Dated: May 29, 1992.

Francis J. Sailer,
Acting Assistant Secretary for Import Administration.

[FR Doc. 92-12974 Filed 6-2-92; 8:45 am]

BILLING CODE 3510-DS-M

[A-533-806, A-437-802]

Initiation of Antidumping Duty Investigations; Sulfanilic Acid From India and the Republic of Hungary

AGENCY: Import Administration, International Trade Administration, Department of Commerce.

EFFECTIVE DATE: June 3, 1992.

FOR FURTHER INFORMATION CONTACT: Mary Jenkins or Stefanie Amadeo, Office of Antidumping Investigations, Import Administration, International Trade Administration, U.S. Department of Commerce, 14th Street and Constitution Avenue NW., Washington, DC 20230; telephone (202) 377-1756 or (202) 377-1174, respectively.

INITIATION OF INVESTIGATIONS:

The Petitions

On May 7, 1992, we received petitions filed in proper form by R-M Industries (petitioner). In accordance with 19 CFR 353.12, the petitioner alleges that sulfanilic acid from India and the Republic of Hungary (Hungary) is being, or is likely to be, sold in the United States at less than fair value within the meaning of section 731 of the Tariff Act of 1930, as amended (the Act), and that these imports are materially injuring, or threaten material injury to, a U.S. industry.

The petitioner has stated that it has standing to file the petitions because it is an interested party, as defined under section 771(9)(C) of the Act, and because the petitions were filed on behalf of the U.S. industry producing the product subject to these investigations. If any interested party, as described under paragraphs (C), (D), (E), or (F) of section 771(9) of the Act, wishes to register support for, or opposition to, these petitions, it should file a written notification with the Assistant Secretary for Import Administration.

Under the Department's regulations, any producer or reseller seeking exclusion from a potential antidumping duty order must submit its request for exclusion within 30 days of the date of the publication of this notice. The procedures and requirements are contained in 19 CFR 353.14.

Scope of Investigations

The products covered by these investigations are all grades of sulfanilic acid, which include technical (or crude) sulfanilic acid, refined (or purified) sulfanilic acid and refined sodium salt of sulfanilic acid (sodium sulfanilate).

Sulfanilic acid is a synthetic organic chemical produced from the direct sulfonation of aniline with sulfuric acid. Sulfanilic acid is used as a raw material in the production of optical brighteners, food colors, specialty dyes, and concrete additives. The principal differences between the grades are the undesirable quantities of residual aniline and alkali insoluble material present in the sulfanilic acid. All grades are available as dry, free flowing powders.

Technical sulfanilic acid, classifiable under the subheading 2921.42.24.20 of the Harmonized Tariff Schedule of the United States (HTSUS), contains 96 percent minimum sulfanilic acid, 1.0 percent maximum aniline and 1.0 percent maximum alkali insoluble materials. Refined sulfanilic acid, classifiable under the HTSUS subheading 2921.42.24.20, contains 98

percent minimum sulfanilic acid, 0.5 percent maximum aniline and 0.25 percent maximum alkali insoluble materials. Refined sodium salt of sulfanilic acid (sodium sulfanilate), classifiable under the HTSUS subheading 2921.42.70, is a granular or crystalline material containing 75 percent minimum equivalent sulfanilic acid, 0.5 percent maximum aniline, and 0.25 percent maximum alkali insoluble materials based on the equivalent sulfanilic acid content.

Although the HTSUS subheadings are provided for convenience and customs purposes, our written description of the scope of these investigations is dispositive.

United States Price and Foreign Market Value

India

Petitioner based its estimates of United States price (USP) on quoted prices for all three grades of sulfanilic acid, c&f U.S. port of entry. According to petitioner, the price quotations are for subject merchandise which was sold in the United States after importation, by or for the account of the exporter; therefore, petitioner calculated exporter's sales price (ESP) based on c&f U.S. port of entry price quotations. Petitioner reduced the quoted USPs for foreign inland freight, foreign handling, ocean freight, and U.S. brokerage and handling charges. Petitioner also reduced the quoted USPs for commissions incurred in the United States. No further adjustments were made to the quoted USPs.

Petitioner's estimate of foreign market value (FMV) is based on f.o.b. observed prices in India for all three grades of sulfanilic acid. No adjustments were made to the observed Indian prices.

The Republic of Hungary

Petitioner based on its estimate of USP on the f.a.s. import values of sulfanilic acid, as reflected in official import statistics. To arrive at the ex-factory USP, petitioner subtracted foreign handling and inland freight charges from the import values. No further adjustments were made to the estimated USP.

Petitioner contends that the FMV of Hungary-produced imports subject to this investigation must be determined in accordance with section 773(c), concerning non-market economy (NME) countries. Pursuant to § 771(18), Hungary is presumed to be a NME and the Department has treated it as such in previous investigations [see, Final Determination of Sales at Less Than Fair Value: Tapered Roller Bearings and

Parts Thereof, Finished or Unfinished, From the Hungarian People's Republic, 52 FR 17428, (May 8, 1987)]. Parties will have the opportunity to raise this issue and provide relevant information and argument on it and on whether FMV should be based on prices or costs in the NME in the course of this investigation. The Department further presumes, based on the extent of central control in a NME, that a single antidumping margin, should there be one, is appropriate for all exporters. Only if individual NME exporters can demonstrate an absence of central government control with respect to the pricing of exports, both in law and in fact, will they be entitled to separate, company-specific rates. (See, final Determination of Sales at Less Than Fair Value: Sparklers from the People's Republic of China, 56 FR 20588, (May 8, 1991), for a discussion of the information the Department considers appropriate in this regard.)

In accordance with section 773(c), FMV in NME cases is based on NME producers' factors of production (valued in a market economy country). Absent evidence that the Hungarian government has selected which factories produce for the United States, for purposes of this investigation we intend to base FMV only on those factories in Hungary which are known to produce sulfanilic acid for export to the United States.

Petitioner calculated FMV on the basis of the valuation of the factors of production. In valuing the factors of production, petitioner used Malaysia as a surrogate country. For purposes of this initiation, we have accepted Malaysia as having a comparable economy and being significant producer of comparable merchandise, pursuant to section 773(c)(4) of the Act.

Petitioner used its own factors for raw material inputs, electricity, and fuel oil for constructed value (CV). The raw material and energy factors for technical and sodium salt are based on petitioner's actual experience during 1991. The raw material and energy factors for refined grade sulfanilic acid are the same as petitioner actually experienced from 1986 through 1989 when this product was produced by petitioner. Overhead expenses are expressed as a percentage of labor, raw materials, electricity and fuel oil as experienced by petitioner. The labor factors for all three grades are based on petitioner's experience.

Petitioner based labor and electricity values on wage rates and energy rates in Malaysia. Since fuel oil is a world commodity, petitioner based fuel oil cost on the actual cost incurred by petitioner. Petitioner based the value of raw

material costs for caustic soda, sulfuric acid, and aniline on Malaysian values. Petitioner based raw material costs for activated carbon on its own costs for 1991.

Pursuant to section 773(c), petitioner added the statutory minima of ten percent for general expenses and eight percent for profit to CV.

Petitioner alleges dumping margins ranging from 60.6% to 114.8% for sulfanilic acid from India, and 58.6% for Hungary. We recalculated the dumping margin for Hungary in order to correct a mathematical error by petitioner; the recalculated margin is 58.14%.

Petitioner also alleges that "critical circumstances" exist, within the meaning of section 733(e) of the Act, with respect to imports of the subject merchandise from Hungary.

Initiation of Investigations

We have examined the petitions on sulfanilic acid from India and Hungary, and have found that the petitions meet the requirements of 19 CFR 353.13(a). Therefore, we are initiating antidumping duty investigations to determine whether imports of sulfanilic acid from the above-referenced countries are being, or are likely to be, sold in the United States to less than fair value.

ITC Notification

Section 732(d) of the Act requires us to notify the International Trade Commission (ITC) of these actions and we have done so.

Preliminary Determinations by the International Trade Commission

The ITC will determine by June 22, 1992, whether there is a reasonable indication that imports of sulfanilic acid from India and/or Hungary are materially injuring, or threaten material injury to, a U.S. industry. Any ITC determination which is negative will result in the respective investigation being terminated; otherwise, the investigations will proceed to conclusion in accordance with the statutory and regulatory time limits.

This notice is published pursuant to section 732(c)(2) of the Act and 19 CFR 353.13(b).

Dated: May 28, 1992.

Alan M. Dunn,

Assistant Secretary for Import Administration.

[FR Doc. 92-12977 Filed 6-2-92; 8:45 am]

BILLING CODE 3510-DS-M

[A-834-803, A-835-802, A-821-802, A-842-802, A-823-802, A-844-802, A-831-802, A-832-802, A-822-802, A-833-802, A-841-802, A-843-802]

Preliminary Determinations of Sales at Less Than Fair Value: Uranium From Kazakhstan, Kyrgyzstan, Russia, Tajikistan, Ukraine and Uzbekistan; and Preliminary Determinations of Sales at Not Less Than Fair Value: Uranium From Armenia, Azerbaijan, Byelorussia, Georgia, Moldova and Turkmenistan

AGENCY: Import Administration, International Trade Administration, Department of Commerce.

EFFECTIVE DATE: June 3, 1992.

FOR FURTHER INFORMATION CONTACT:

Larry Sullivan or Carole A. Showers, Investigations, Import Administration, U.S. Department of Commerce, room B099, 14th Street and Constitution Avenue NW., Washington, DC 20230; telephone (202) 377-0114 or 377-3217, respectively.

PRELIMINARY DETERMINATIONS: We preliminarily determine that imports of uranium from Kazakhstan, Kyrgyzstan, Russia, Tajikistan, Ukraine and Uzbekistan are being, or are likely to be, sold in the United States at less than fair value (LTFV), as provided in section 733 of the Tariff Act of 1930, as amended (the Act). Because respondents failed to provide adequate information in a timely manner, we have based our preliminary LTFV calculations on the best information otherwise available (BIA). The estimated margins are shown in the "Suspension of Liquidation" section of this notice. In addition, we preliminarily determine that uranium from Armenian, Azerbaijan, Byelorussia, Georgia, Moldova and Turkmenistan is not being, nor is it likely to be, sold in the United States at less than fair value, as provided for in section 733 of the Act.

Case History

Since the publication of the notice of initiation in the *Federal Register* (56 FR 63711, December 5, 1991), the following events have occurred.

A. General

On December 10, 1992, the Department received a letter of appearance on behalf of Technabexport Ltd. (Tenex), the sole exporter of the subject merchandise during the period of investigation, NUXCO Trading Corporation (NUXCO), and Global Nuclear Services and Supply Ltd. (GNSS) (collectively referred to herein as Tenex).

On December 23, 1991, the U.S. International Trade Commission (ITC) issued an affirmative preliminary injury determination.

On December 25, 1991, the Union of Soviet Socialist Republics (USSR) dissolved and the United States subsequently recognized the 12 newly independent states (NIS) which emerged. The Russian Federation was the only NIS which had a diplomatic facility in the United States at that time. In early January 1992, the U.S. State Department informed us that the Russian Embassy was acting as a liaison to the other NIS. On January 16, 1992, the Department presented antidumping duty questionnaires to Tenex and to the Embassy of the Russian Federation for service on the Russian Federation, the Russian Ministry of Atomic Power and Industry, and the other eleven constituent republics of the former USSR (Armenia, Azerbaijan, Byelorussia, Georgia, Kazakhstan, Kyrgyzstan, Moldova, Tajikistan, Turkmenistan, Ukraine, and Uzbekistan).

We were notified on January 23, 1992, by officials of the Russian Embassy, of their willingness to transmit the questionnaires to all other NIS except Byelorussia and Ukraine, which maintained United Nations missions in New York. We served the questionnaire on those missions on January 29, 1992. On January 30, 1992, the Department sent questionnaires to the United States Embassy in Moscow which serviced copies of the questionnaire on the permanent representative to the Russian Federation of each NIS. These questionnaires were served on February 10 and 11, 1992.

B. Requests for Extension

On February 3, 1992, pursuant to a request by Tenex, the Department extended its deadline for Section A of the questionnaire until February 12, 1992. On February 12, pursuant to another request by Tenex, the Department extended the deadline for Section A responses to February 21 (for uranium concentrate and enriched uranium) and February 28 (for uranium hexafluoride). On February 20, 1992, Tenex requested, and the Department granted, an extension until March 13, 1992, for the response to Sections C and D of the questionnaire. On March 11, 1992, Tenex requested yet another extension for its response to Sections C and D, which was denied by the Department. We received Section A responses for Tenex on February 21 and 28, 1992. We received a response to Sections C and D on March 13, 1992. We issued a deficiency letter for Section A on March

20, 1992, and received a response to that letter on April 3, 1992. We issued a deficiency letter for Sections C and D on April 13, 1992, which requested Tenex to report U.S. price data as purchase price (PP) sales instead of exporter's sales price (ESP) sales. We also notified Tenex of the severe deficiencies in its foreign market value (FMV) data. We received a response to this letter on April 30, 1992. On May 7, 1992, we received a submission from Tenex arguing that the proper basis for reporting U.S. sales is ESP, not PP as the Department determined.

On February 4, 1992, we received letters from the U.N. missions of Byelorussia and Ukraine requesting an extension for their responses to the questionnaire. On February 5, 1992, the Department extended the deadline for Section A responses to February 25 for Ukraine and Byelorussia, and, *sua sponte*, to February 12 for Russia and the Ministry of Atomic Energy and February 19 for the other NIS. On February 26, the Department extended the deadline for Ukraine and Byelorussia and again, *sua sponte*, extended the deadlines for the other NIS (except Russia) until March 9 for Section A responses and April 1 for responses to Sections C and D. On March 30, 1992, the Department granted a final *sua sponte* extension until April 15, 1992, for the questionnaire responses of all the NIS (except Russia). On May 15, 1992, the Department received a cable from the U.S. Embassy in Dushanbe, Tajikistan, relaying a request from the President of Tajikistan. The President stated that the questionnaire response would have been completed but for the just concluded revolutionary disturbances in his country. The President requested a 30 day extension to complete the questionnaire. Based on these extraordinary circumstances, the Department granted this extension on May 20, 1992. Petitioners objected to any extension in a letter dated May 22, 1992.

C. Critical Circumstances

On January 29, 1992, we received from petitioners an allegation of critical circumstances, which was amended on January 30, 31, and February 7, 1992. On February 26, 1992, we issued a questionnaire regarding critical circumstances to Tenex and all NIS. Tenex' response to this questionnaire was included in its March 13, 1992 response. On May 15, 1992, Tenex attempted to refute petitioners' claims regarding the massiveness of the imports of uranium.

D. Dissolution of the Soviet Union and Postponement of the Preliminary Determination

As stated above, the USSR dissolved and 12 NIS were recognized as successor states. We received submissions from petitioners on January 9, 24, and February 13, and from Tenex, on January 10, February 7, and 14, concerning the issue of whether the Department should continue or terminate this investigation in light of the dissolution of the USSR and the emergence of 12 newly independent successor states. On March 25, 1992, the Department issued a notice postponing the preliminary determination in this investigation 30 days because we found it to be "extraordinarily complicated" as defined under section 733(c)(1)(B) of the Act (57 FR 11064, April 1, 1992). In that notice, the Department also gave notice that it intended to continue this investigation with respect to the NIS of the former USSR. We postponed the preliminary determination an additional ten days because additional time was needed (57 FR 21646, May 21, 1992).

E. Best Information Available

On March 18 and 24, and April 23 and 24, 1992, petitioners requested that the Department use best information available (BIA) in making its preliminary determination because no responses had been received from a producer or country, the home market factors submitted by Tenex were untimely and uncertified, and the U.S. price data submitted by Tenex were materially deficient. Petitioners' provided new data to be used for BIA. Tenex contested petitioners' arguments and offered its own analysis of BIA for FMV in submissions dated April 15, May 7, 8, and 15, 1992. On May 15, 1992, petitioners objected to the BIA submissions of Tenex on the basis that, *inter alia*, Tenex had failed to provide the Department with the data sought in the questionnaire and, therefore, had no right to submit information on BIA. Tenex urged the Department to consider its submission and another made at the Department's request by Maine Yankee Atomic Power Company and Vermont Yankee Nuclear Power Corporation (The Yankee Group), on May 7, 1992, in determining the appropriate basis for BIA. On April 21, 1992, we received a requested submission from a group of electric utilities which includes Consumers Power Company, Energy Operations Inc., Florida Power & Light Company, New Hampshire Yankee Division of Public Service Company of New Hampshire, New York Power Authority, Public Service Electric & Gas

Company, Union Electric Company, Virginia Power, and Wisconsin Electric Power Company (the Electric Utilities), suggesting various factors which the Department should take into account when analyzing the FMV data. By letter dated May 22, 1992, petitioners rebutted the Yankee Group's BIA submission.

F. Class or Kind

By submissions dated January 10, March 13, and April 24, 1992, Tenex argued that the subject merchandise constitutes three classes or kinds of merchandise. On April 21, 1992, the Electric Utilities responded to a request by the Department by submitting information regarding class or kind. Petitioners argued, in submissions dated January 24 and March 27, that the subject merchandise constitutes one class or kind as indicated in the petition. On May 21, 1992, we received a requested submission from the Department of Energy (DOE) supporting a finding of one class or kind of merchandise.

G. Responses From Non-Producing Countries

On March 23, 1992, the Department received a fax from the State Committee for Foreign Economic Relations in Minsk, Byelorussia. However, the fax was not easily legible so the Department requested a more legible response. On April 10, 1992, we received a cable from the U.S. Embassy in Minsk which stated that Embassy officials contacted Byelorussia officials regarding the Department's questionnaire. The officials stated that Byelorussia does not mine, produce or store uranium. The officials also stated that they had previously sent a letter to the Department with the same response.

On April 21, 1992, the Department received a cable from the U.S. Embassy in Yerevan, Armenia, which contained the text of a letter from the Armenian Minister of Energy and Fuel to the Department. The letter stated that Armenia did not produce, export or stockpile uranium during the POI.

On April 28, 1992, we received a cable from the U.S. Embassy in Ashkhabad, Turkmenistan, in which Turkmenistan officials are quoted as stating that Turkmenistan's only uranium producing site was closed in 1957 and that presently Turkmenistan does not produce, process or export uranium. On May 19, 1992, the Department received a letter from the Chief of the Section for Extraordinary Situations of the State Commission of Turkmenistan stating that Turkmenistan does not engage in uranium development or export.

On May 4, 1992, the Department received a cable from the U.S. Embassy in Baku, Azerbaijan, relaying a message from the Chairman of the State Committee of the Azerbaijani Republic in Geology and Mineral Resources stating that Azerbaijan does not mine uranium. On May 28, 1992, we received a fax from the U.S. Embassy in Moscow which contained a copy of a letter sent to it from the Azerbaijani permanent representative in Moscow. This letter stated that no uranium or uranium-containing materials were exported to the United States from Azerbaijan.

On May 5, 1992, the Department received a cable from the U.S. Embassy in Moscow relaying a communication from the Ministry of Foreign Economic Relations of Moldova which stated that Moldova did not produce, export or store uranium during the POI. This cable also relayed a telephone message from the U.S. Embassy in Tbilisi, Georgia, where no cable capability exists yet. An Embassy official spoke with the Deputy Minister of Industry who stated that no uranium business exists in Georgia.

We instructed these embassies by cable that department regulations require that the Department receive a response and that the response be certified.

Scope of Investigations

The merchandise covered by these investigations constitutes one class or kind of merchandise (see "Class or Kind" section of this notice). The merchandise covered by these investigations includes natural uranium in the form of uranium ores and concentrates; natural uranium metal and natural uranium compounds; alloys, dispersions (including cermet), ceramic products and mixtures containing natural uranium or natural uranium compounds; uranium enriched in U235 and its compounds; alloys, dispersions (including cermet), ceramic products, and mixtures containing uranium enriched in U235 or compounds or uranium enriched in U235. The uranium subject to these investigations is provided for under subheadings 2612.10.00.00, 2844.10.10.00, 2844.10.20.10, 2844.10.20.25, 2844.10.20.50, 2844.10.20.55, 2844.10.50.00, 2844.20.00.10, 2844.20.00.20, 2844.20.00.30, and 2844.20.00.50, of the Harmonized Tariff Schedule (HTS). Although the HTS subheadings are provided for convenience and customs purposes, our written description of the scope of these proceedings is dispositive.

On May 21, 1992, the DOE requested that the Department determine whether highly enriched uranium (HEU) is

covered by the scope of these investigations. The petition does not include HEU in its scope and implies that HEU is not covered. Therefore, we preliminarily determine that HEU is not within the scope of this investigation.

Class or Kind

As noted above, Tenex argues that the subject merchandise constitutes three classes or kinds of merchandise, i.e., (1) uranium ore and concentrates, (2) uranium hexafluoride (UF₆), and (3) enriched uranium product (EUP). Petitioners, however, maintain that a finding of one class or kind of merchandise is appropriate. At the Department's request, the DOE and the Electric Utilities submitted arguments regarding class or kind, the former arguing for one class or kind and the latter contending that the subject merchandise constitutes four classes or kinds of merchandise, i.e., the three mentioned above and nuclear fuel assemblies.

Based on an analysis of the comments on class or kind submitted during this proceeding, we have determined that the product under investigation constitutes a single class or kind of merchandise (see Memorandum from Team to Francis J. Sailer, dated May 27, 1992). We based our analysis on the "Diversified" criteria (see, *Diversified Products Corp. v. United States*, 6 CIT 155 (1983)) and case precedent.

Period of Investigation

The period of investigation (POI) is June 1 through November 30, 1991.

Best Information Available

We have determined, in accordance with section 776(c) of the Act, that the use of BIA is appropriate in six of these investigations. In deciding whether to use BIA, section 776(c) provides that the Department may take into account whether the respondent provided the information requested in a timely manner and in the form required.

While Tenex submitted certain information with respect to U.S. price, it completely failed to provide any factors of production information in its questionnaire response, despite extensive efforts by the Department to obtain such information.

While we eventually received a partial response from Tenex with regard to factors of production information, that response was unusable for many reasons. First, on its face the information provided in the response was severely deficient in that it did not provide the data requested by the Department in its questionnaire. Second, Tenex is not a producer of the subject

merchandise, merely an exporter, and as such does not have first-hand knowledge of the production enterprises. Verification of second-hand knowledge would be a futile endeavor. Third, the response was not certified by officials at the production enterprises, although the Department did receive an untimely certification two months after the information was filed from an official of only one of several production enterprises in question. The absence of information from the appropriate source necessary to establish FMV rendered the responses provided by Tenex unusable and precipitated the Department's use of BIA. Except for the responses we received from Armenia, Azerbaijan, Belarus, Georgia, Moldova and Turkmenistan, which informed us that these countries were not producers or exporters of uranium, we received no information or questionnaire responses from any other NIS. Therefore, we have used the information submitted in the petition and detailed in our initiation notice as the best information available for the preliminary determinations with respect to Kazakhstan, Kyrgyzstan, Russia, Tajikistan, Ukraine and Uzbekistan. This information was modified, as appropriate, according to submissions of petitioners and two parties from which the Department solicited information (see "United States Price" and "Foreign Market Value" sections, below, and Memorandum from Linda K. Eads and Lawrence P. Sullivan to Marie Parker and Susan H. Kuhback dated May 27, 1992).

Petitioners have argued that the Department should not consider the submission of the Yankee Group, because this submission was not filed by an interested party. In addition, petitioners assert that these are not the type of comments which the Yankee Group is qualified to provide because it is not involved in any manner in the production of enriched uranium. Finally, petitioners question the validity of any information submitted by the Yankee Group in light of the contract that it has with Tenex.

The Department requested the Yankee Group to make its submission in accordance with 19 CFR 353.31(b)(1). While the Yankee Group is not a producer of the subject merchandise, it is a purchaser of uranium concentrate and enriched uranium and has experience with the firms in the industry. Furthermore, as an active participant in the uranium market, it has ready access to publicly available industry information. The Department has critically analyzed all BIA submissions and has accepted the

arguments and proposals which we found substantiated and appropriate.

Tenex also submitted a detailed analysis of BIA and an addendum to that analysis. It is the Department's position that a respondent's obligation is to respond adequately to the questionnaire, not to provide information which estimates the information which it should have provided but did not. Therefore, we have not considered the submissions of Tenex regarding BIA.

Tenex has argued that it should not be held responsible for the lack of response from the production enterprises and, therefore, it should not be penalized for the inaction of those entities. However, in an NME case, the Department presumes central control of all production and exporting facilities (see, e.g., Final Determination of Sales at Less Than Fair Value: Tungsten Ore Concentrates from the People's Republic of China, 58 FR 47738 (September 20, 1991)). Therefore, we consider there to be one respondent in each NME country. Thus, the Department holds each country's central government responsible for providing an adequate response to all sections of the Department's questionnaire. With respect to each country under investigation, the Department requires a response which provides complete and accurate data on U.S. sales and factors of production in order to consider any response for a determination. Tenex' response represents only a part of the information required by the Department to perform a less than fair value analysis, and is, therefore, materially deficient.

As noted above in the "Case History" section, we have received responses from certain NIS, either directly or through our embassies in those countries. These responses indicate that these countries do not produce, export or stockpile uranium. Under normal circumstances, we would require all of these responses to be in writing and properly certified. However, as recognized in the notices of postponement of this investigation (57 FR 11064, April 1, 1992, and 57 FR 21646, May 21, 1992), these investigations are "extraordinarily complicated," largely due to the confusion and turmoil surrounding the dissolution of a political entity and its replacement with 12 separate successors. The dissolution of the USSR has made communication between the Department and the NIS extremely difficult, if not at times impossible. The recent establishment of U.S. diplomatic facilities in the NIS has eased these difficulties, albeit limitedly.

In addition, based on information submitted by petitioners and sourced from a Central Intelligence Agency publication (*The Soviet Energy Atlas*, January 1985), Armenia, Azerbaijan, Byelorussia, Georgia, Moldova and Turkmenistan do not mine or produce uranium. Therefore, we have determined that, for purposes of our preliminary determinations, Armenia, Azerbaijan, Byelorussia, Georgia, Moldova and Turkmenistan have adequately responded that their respective countries did not produce, export or stockpile uranium during the POI. For purposes of our final determinations, however, we will require a certified response to this effect. In addition, these responses will be subject to verification.

Fair Value Comparisons

After the initiation of this investigation, the country identified in the petition, the USSR, was dissolved and its territory divided between 12 independent states. The United States has officially recognized each of these states as a sovereign nation. Accordingly, the Department is severing the investigation into 12 separate investigations and, to the extent possible, will calculate for each independent state, except the six non-producing NIS, a separate foreign market value and U.S. price.

To determine whether sales of uranium from the former USSR to the United States were made at less than fair value, we compared the United States prices (USP) to the FMV, as specified in the "United States Price" and "Foreign Market Value" sections of this notice. Both USP and FMV are based on BIA, as stated in the section above.

It is the Department's practice to base BIA on an average margin, as opposed to the highest calculated margin, when we determine that respondents have attempted to cooperate with the Department's investigation (see *Preliminary Determination of Sales at Less Than Fair Value: Circular Welded Non-Alloy Steel Pipe From Taiwan*, 57 FR 17892 (April 28, 1992)). As the Department indicated in its first notice of postponement (57 FR 11064, April 1, 1992), we believe that Tenex has attempted to cooperate in this investigation because they are the sole exporter and attempted to provide the Department with complete USP data. Therefore, we base the preliminary margin on an average of the two calculated margins.

United States Price

Petitioners' estimate of USP is based on an estimated weighted average f.o.b.

import price taken from U.S. Bureau of Census statistics on imports of natural and enriched uranium from the former USSR during the period January 1990 through August 1991.

Foreign Market Value

Petitioners allege, and the Department determined, that the former USSR was a nonmarket economy country during the POI within the meaning of section 773(c) of the Act (see Memorandum from David Mueller to Carole Showers dated March 24, 1992). In accordance with section 771(18)(C) of the Act, any determination that a foreign country is an NME shall remain in effect until revoked. This presumption covers a geographic area, each part of which assumes the previous NME character in the event of dissolution. Therefore, each NIS will continue to be treated as an NME until this presumption is overcome. In these investigations, no information has been presented which would require the Department to revoke the NME status of any of the NIS.

Accordingly, petitioners calculated FMV on the basis of constructed value (CV), using the factors of production methodology specified in section 773(c)(3) of the Act. Petitioners calculated separate CVs for mined and enriched uranium.

We have followed the methodology used in the initiation of this investigation (56 FR 63711, 63712), except in the following instances: (1) For mined uranium, we valued labor in Namibia instead of Portugal because Namibia is the preferred surrogate country and the Namibian labor value is uranium-specific. Additionally, an adjustment to a Canadian factor based upon differential labor rates was accordingly revised, and (2) for enriched uranium, we did not allow a 1991 projected production adjustment to the 1990 values for depreciation, research and development, and selling, general and administrative expenses.

Critical Circumstances

Petitioners allege that "critical circumstances" exist with respect to imports of uranium from the former USSR. Section 733(e)(1) of the Act provides that critical circumstances exist when we determine that there is a reasonable basis to believe or suspect the following:

(1) That there is a history of dumping of the same class or kind of merchandise, or that the person by whom, or for whose account, the merchandise was imported knew or should have known that the exporter was selling the merchandise at less than fair value; and

(2) That there have been massive imports of the subject merchandise over a relatively short period.

To determine whether imports have been massive over a relatively short period, we based our analysis on official statistics of the Department, as BIA, for equal periods immediately preceding and following the filing of the petition. Because we used BIA with respect to the LTFV analysis, we have no cause to use or verify any of the data submitted by Tenex. Therefore, we did not use Tenex' shipment information in our critical circumstances analysis.

The time period we used for comparison purposes begins in December 1991, the first complete month after the petition was filed (November 8, 1991). We began the comparison period in December 1991 because the subject merchandise is transported by ship from the former Soviet Union to the United States, a journey of 17 days to over one month, according to data submitted by petitioners. Therefore, any subject merchandise shipped on or after the filing date of the petition would almost certainly enter the United States after December 1, 1991. Likewise, any shipments leaving the former USSR before that date would enter the United States before December 1, 1991. Based on available statistics, and in accordance with our regulations (19 CFR 353.16(g)), we determine it appropriate to use for comparison the period December 1991 through March 1992.

We compared the quantity of imports during the comparison period to the imports during the immediately preceding period (the "base period") of comparable duration (*i.e.*, August through November 1991).

Under 19 CFR 353.16(f)(2), unless the imports in the comparison period have increased by at least 15 percent over the imports during the base period, we will not consider the imports "massive." Our analysis indicates that shipments from the former USSR have increased by considerably more than 15 percent.

Since this shows evidence of massive imports over a relatively short period of time, we need to consider whether there is a history of dumping or whether there is reason to believe or suspect that importers of this product knew or should have known that it was being sold at less than fair value. We examined recent antidumping cases and found that there are currently no findings of dumping in the United States or elsewhere on the subject merchandise by former Soviet producers.

We then examined the magnitude of the dumping margins in these investigations. It is our standard

practice to impute knowledge of dumping under section 733(e)(1)(A)(ii) of the Act, when the estimated margins are of such a magnitude that the importer should have realized that dumping existed with regard to the subject merchandise. Normally, in purchase price sales, we consider estimated margins of 25 percent or greater to be sufficient, and in exporter's sales price sales, margins of 15 percent or greater to be sufficient to impute knowledge of dumping. See, e.g. Final Determination of Sales at Less than Fair Value: High-Tenacity Rayon Filament Yarn from Germany (Yet to be published). Using these criteria, we have found that the preliminary margins in these investigations are sufficient to impute knowledge of dumping. Therefore, we find that the requirements of section 733(e)(1) are met and we preliminarily determine that critical circumstances exist with respect to imports of uranium from Kazakhstan, Kyrgyzstan, Russia, Tajikistan, Ukraine and Uzbekistan. For Armenia, Azerbaijan, Byelorussia, Georgia, Moldova and Turkmenistan, we have determined that the requirements of section 733(e)(1) are not met. Therefore, critical circumstances do not exist with respect to these countries.

Verification

As provided in section 776(b) of the Act, we will verify all the non-BIA information used in reaching our final determinations.

Suspension of Liquidation

In accordance with section 733(d)(1) of the Act, we are directing the U.S. Customs Service to suspend liquidation of all entries of uranium, as defined in the "Scope of Investigations" section of this notice, from Kazakhstan, Kyrgyzstan, Russia, Tajikistan, Ukraine and Uzbekistan that are entered, or withdrawn from warehouse, for consumption 90 days prior to or after the date of publication of this notice in the Federal Register. The U.S. Customs Service shall require a cash deposit or posting of a bond equal to 115.82 percent on all entries of uranium from Kazakhstan, Kyrgyzstan, Russia, Tajikistan, Ukraine and Uzbekistan. This suspension will remain in effect until further notice. Due to our preliminary negative determinations with respect to Armenia, Azerbaijan, Byelorussia, Georgia, Moldova, and Turkmenistan, we are not suspending liquidation of entries of uranium from these countries.

ITC Notification

In accordance with section 733(f) of the Act, we will notify the ITC of our

determinations. If our final determinations are affirmative, the ITC will determine whether these imports are materially injuring, or threaten material injury to, the U.S. industry before the later of 120 days after the date of these preliminary determinations or 45 days after our final determinations. In addition, we are making available to the ITC all nonprivileged and nonproprietary information relating to these investigations. We will allow the ITC access to all privileged and business proprietary information in our files provided the ITC confirms that it will not disclose such information, either publicly or under administrative protective order, without the written consent of the Deputy Assistant Secretary for Investigations, Import Administration.

Public Comment

In accordance with 19 CFR 353.38, we will hold a public hearing, if requested, to afford interested parties an opportunity to comment on these preliminary determinations on August 3, 1992, at 2 p.m. at the U.S. Department of Commerce, room 3708, 14th Street and Constitution Avenue NW., Washington, DC 20230. Individuals who wish to request a hearing must submit such a request within ten days of the publication of this notice in the Federal Register to the Assistant Secretary for Import Administration, U.S. Department of Commerce, room B099, 14th Street and Constitution Avenue, NW., Washington, DC 20230. Parties should confirm by telephone, the time, date, and place of the hearing 48 hours before the scheduled time.

Requests should contain: (1) The party's name, address, and telephone number; (2) the number of participants; (3) the reason for attending; and (4) a list of the issues to be discussed. In addition, ten copies of the business proprietary version and five copies of the nonproprietary version of the case briefs must be submitted to the Assistant Secretary no later than July 23, 1992. Ten copies of the business proprietary version and five copies of the nonproprietary version of the rebuttal briefs must be submitted to the Assistant Secretary no later than July 30, 1992. An interested party may make an affirmative presentation only on arguments included in that party's case or rebuttal briefs. Written arguments should be submitted in accordance with section 353.38 of the Commerce Department's regulations and will be considered if received within the time limits specified above.

These determinations are published pursuant to section 733(f) of the Act (19 U.S.C. 1673b(f)) and 19 CFR 353.15.

Dated: May 28, 1992.

Alan M. Dunn,

Assistant Secretary for Import Administration.

[FR Doc. 92-12973 Filed 6-2-92; 8:45 am]

BILLING CODE 3510-DS-M

International Trade Administration

[C-533-807]

Initiation of Countervailing Duty Investigation: Sulfanilic Acid From India

AGENCY: Import Administration, International Trade Administration, Department of Commerce.

EFFECTIVE DATE: June 3, 1992.

FOR FURTHER INFORMATION CONTACT: Rick Herring or Magd Zalok, Office of Countervailing Investigations, Import Administration, International Trade Administration, U.S. Department of Commerce, Room B099, 14th Street and Constitution Avenue, NW., Washington, DC 20230; telephone: (202) 377-3530 or (202) 377-4162, respectively.

Initiation

The Petition

On May 8, 1992, the R-M Industries Corporation filed with the Department of Commerce (the Department) a countervailing duty petition on behalf of the United States industry producing sulfanilic acid. In accordance with 19 CFR 355.12, the petitioner alleges that producers and exporters of sulfanilic acid in India receive subsidies within the meaning of section 701 of the Tariff Act of 1930, as amended (the Act).

Allegation of Subsidies

Petitioner alleges that the following programs provide subsidies to producers of the subject merchandise in India:

1. Preferential Export Financing Through Export Packing Credits
2. Preferential Post-Shipment Financing
3. Income Tax Deduction for Exporters
4. Import Duty Exemptions Available Through Advance Licenses
5. Import Replenishment (REP) Licenses
6. Excess Drawback of Import Duties
7. Market Development Assistance (MDA) Grant
8. Diesel Oil Subsidies
9. Sales of Additional Licenses
10. Grants Under the Central Investment Subsidy Scheme (CISS)
11. Extension of Free Trade Zones